

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BRADLEY
(USPS-T-14) TO INTERROGATORY OF UNITED PARCEL SERVICE
(UPS/USPS-T14-61)

The United States Postal Service hereby provides the response of witness
Bradley (USPS-T-14) to the following interrogatory of United Parcel Service:
UPS/USPS-T14-61, filed on October 3, 1997.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Susan M. Duchek

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October 16, 1997

Response of United States Postal Service Witness Bradley
to
Interrogatories of UPS

UPS/USPS-T14-61. Please refer to UPS/USPS-T14-27 and your response. In part (b) of the original interrogatory, the question asks you to address how the distribution of the productivity variable used in the outlier scrub is affected by performing a continuity scrub prior to the outlier scrub. This issue is not addressed in your answer. Please address it.

UPS/USPS-T14-61 Response:

The distribution of the productivity variable depends upon the observations included in the data. The continuity scrub eliminates observations from the data set. Thus, the distribution of the productivity variable is affected to the extent that the productivity variable is calculated only for the included observations. That is to say, the shape of the distribution reflects only the productivities of the included observations. In this way the outliers are defined relative to the appropriate analysis data, the one including continuous data.

DECLARATION

I, Michael D. Bradley, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

A handwritten signature in cursive script, appearing to read "Michael D. Bradley". The signature is written in black ink and is positioned to the right of the declaration text.

Dated: October 16, 1997

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



Susan M. Duchek

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